MISSOURI

LINKED DEPOSIT

Loans to Develop Our Future

2015 Annual Report

CLINT ZWEIFEL
MISSOURI STATE TREASURER

Program Overview

The Missouri Linked Deposit Program is a statutorily created lending program managed by State Treasurer Clint Zweifel and aimed at expanding and strengthening Missouri communities by providing low-interest loans to qualified borrowers for business enhancement, growth and development.

Eligible borrowers include:

- Small businesses with up to 99 employees
- Agriculture
- Multi-Family Housing
- Job Creation
- Local governments
- Alternative-energy focused programs

Program Overview-Continued

- The Missouri Linked Deposit Program has been assisting Missouri businesses since 1985.

- Treasurer Zweifel deposits available funds with an approved borrower's qualified banking institution at a below-market interest rate.

- This allows the lender to pass along up to a 30 percent interest-rate reduction to the borrower resulting in an overall savings to the borrower and economic growth for Missouri communities.

- Since taking office, Treasurer Zweifel has cut bureaucracy and red tape in the application process while promoting the loan program directly to small businesses and farmers through roundtables, bank presentations, business group meetings and public outreach.

Program Overview-Continued

Since taking office Treasurer Zweifel has approved $2 billion in low-interest loans through his Missouri Linked Deposit Program and ensured taxpayers earn market rates on deposits in Missouri banks.

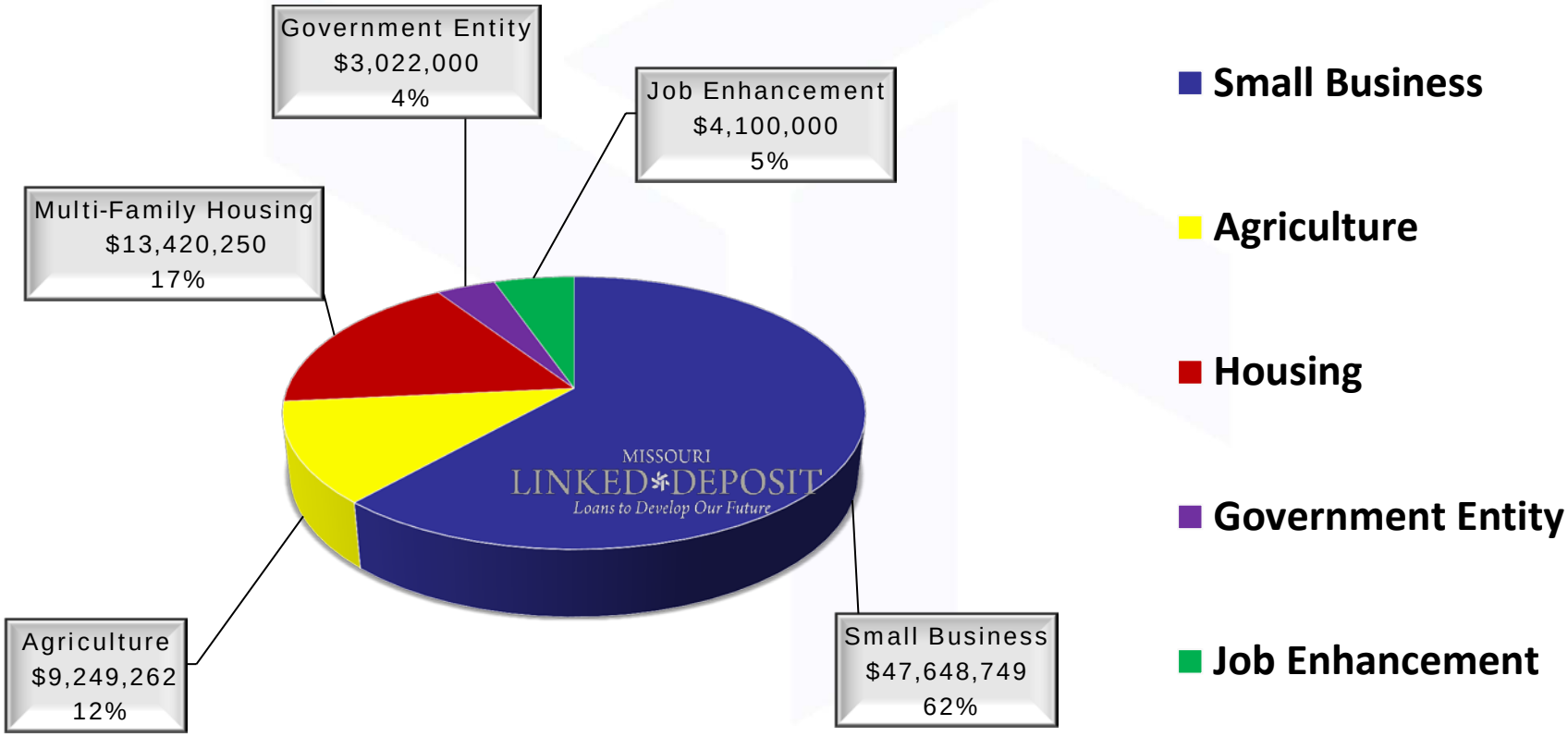
Missouri Linked Deposit Program-2015 Placed Amounts

The Missouri Linked Deposit Program 2015 Annual Report provides a summary of loan activities from October 1, 2014 - September 30, 2015.

The Missouri Linked Deposit Program placed 644 loans in the 2015 program year (PY) for a total loan amount of $283,077,063.

Missouri Linked Deposit Program New Deposits

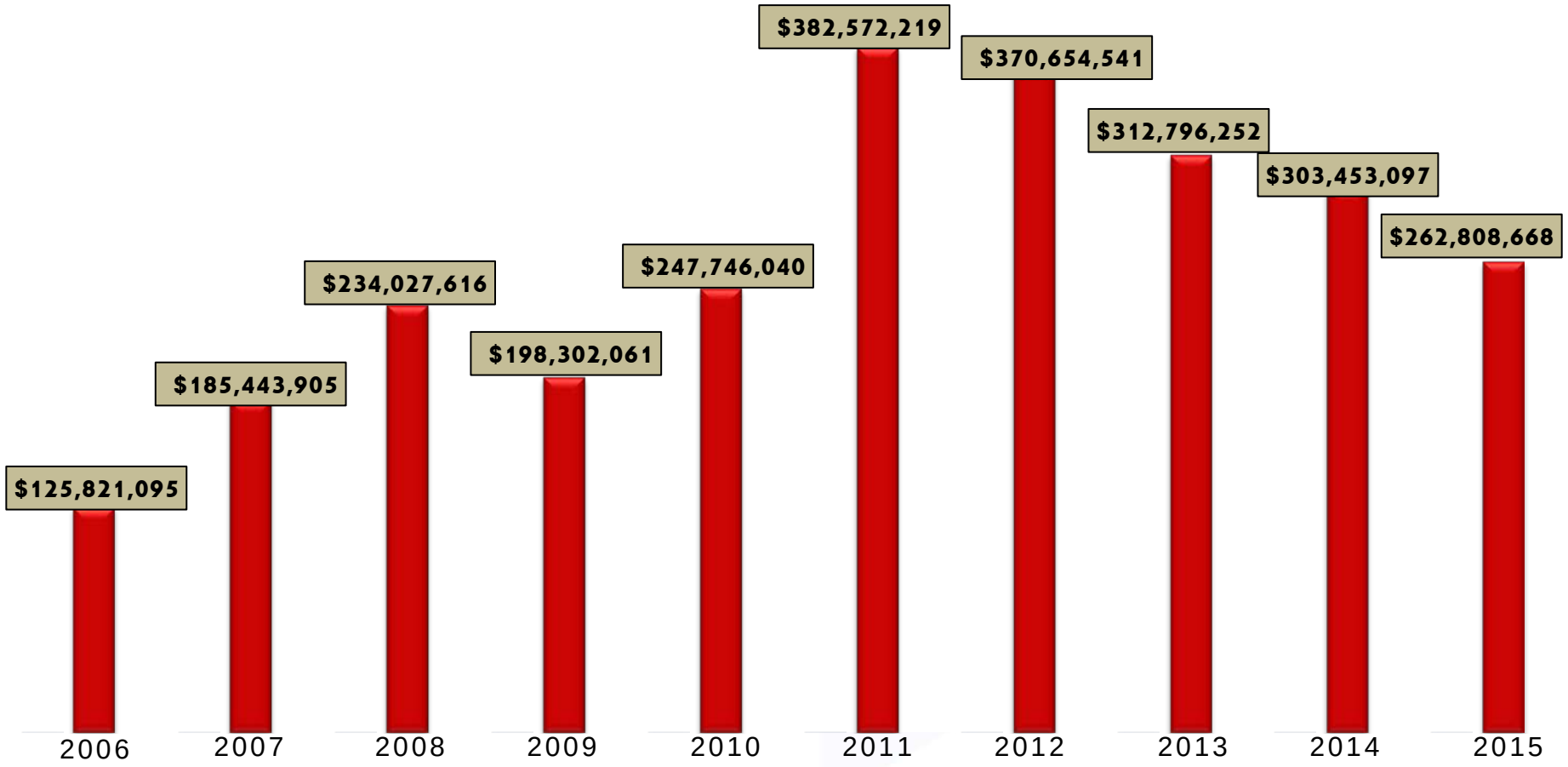
During the 2015 PY, the Missouri Linked Deposit Program exceeded the 5% increase goal for new deposits, resulting in a 29% increase, including 117 new loans totaling $77,440,261.



Since a program high in 2011, total active deposits have decreased. In PY2015 there was a 13% decrease from the prior year.

PROGRAM YEAR	TOTAL LOAN AMOUNTS	PERCENT INCREASE/DECREASE
PY2015	$262,808,668	-13%
PY2014	$303,453,097	-3%
PY2013	$312,796,252	-15 %
PY2012	$370,654,541	-3%
PY2011	$382,572,219	54%
PY2010	$247,746,040	25%
PY2009	$198,302,061	-15%
PY2008	$234,027,616	26%
PY2007	$185,443,905	47%
PY2006	$125,821,095	

Summary of Missouri Linked Deposit Program by Year



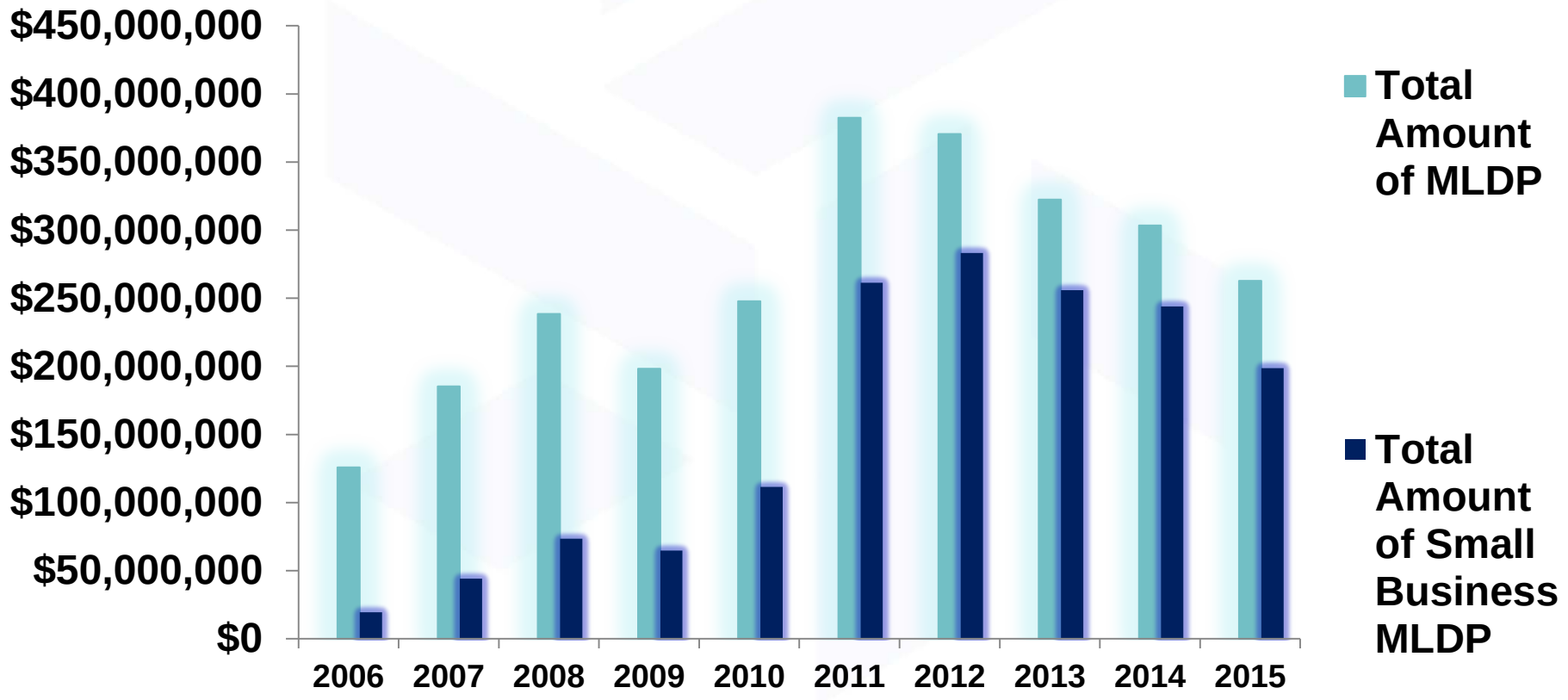
During PY2015, the Missouri Linked Deposit Program experienced an overall 13% decrease of $40,644,429 loan volume.

The decrease can be attributed to the following factors:

- The attrition of the program with the five year term
- Early maturity of the Missouri Linked Deposit Program loans
- The Missouri Linked Deposit Program was created to lower interest rates. However, the low-interest rate climate we are experiencing has made it challenging for some banks to use the program.

Summary of Missouri Linked Deposit Loan/Small Business Deposit Amounts by PY

The Missouri Linked Deposit Program has grown rapidly within the last ten years. The chart below provides an overview of the Small Business loans as compared to the entire Missouri Linked Deposit Program portfolio. The Small Business component has become the largest of the Missouri Linked Deposit Program.



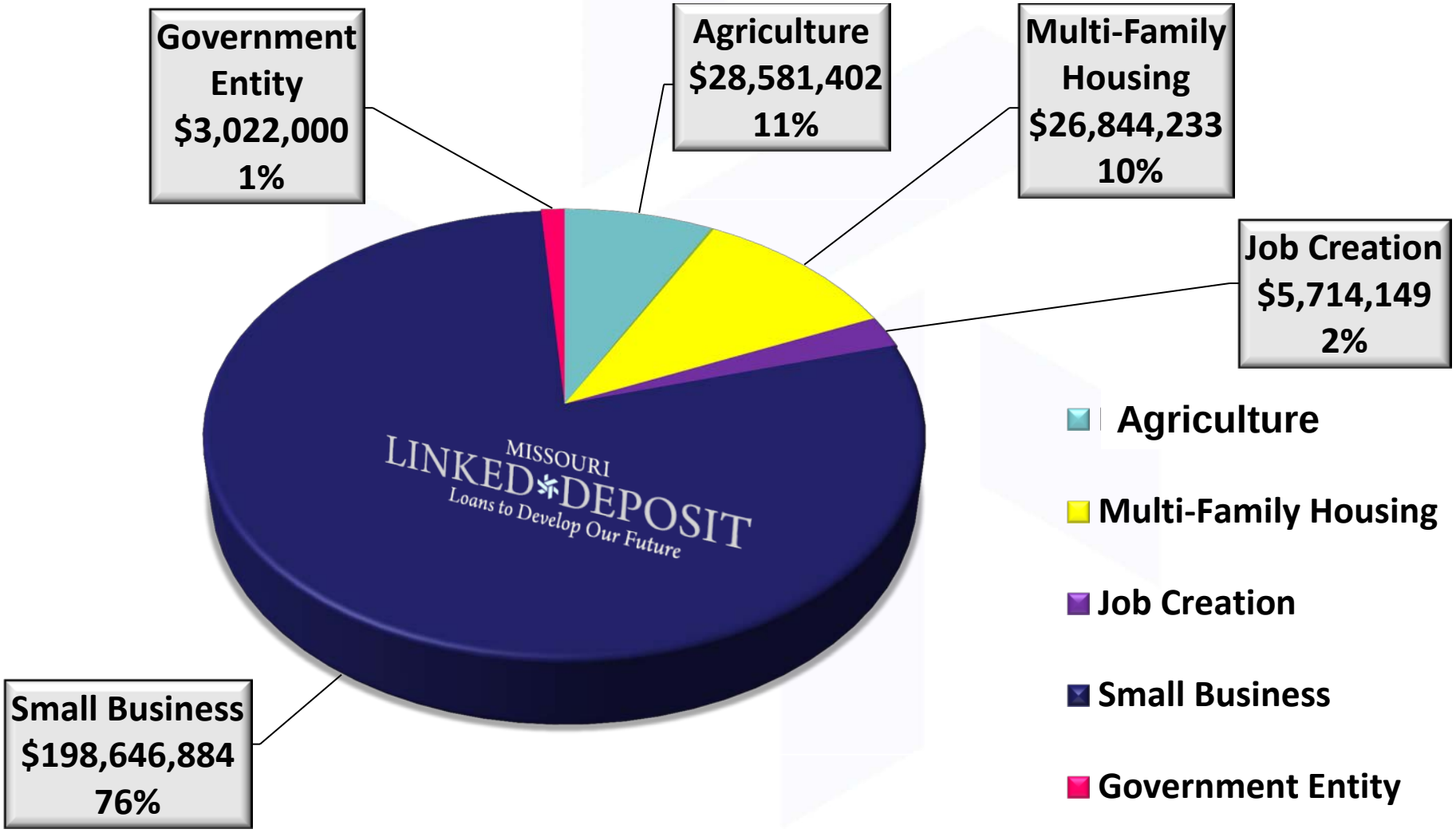
Percentages of active loan category breakdown for PY2015 compared to PY2014:

MLDP Category	2014	2015
Small Business	80%	76%
Agriculture	10%	11%
Multi-Family Housing	9%	10%
Job Creation	1%	2%
Government Entity	0%	1%
Alternative Energy	0%	0%

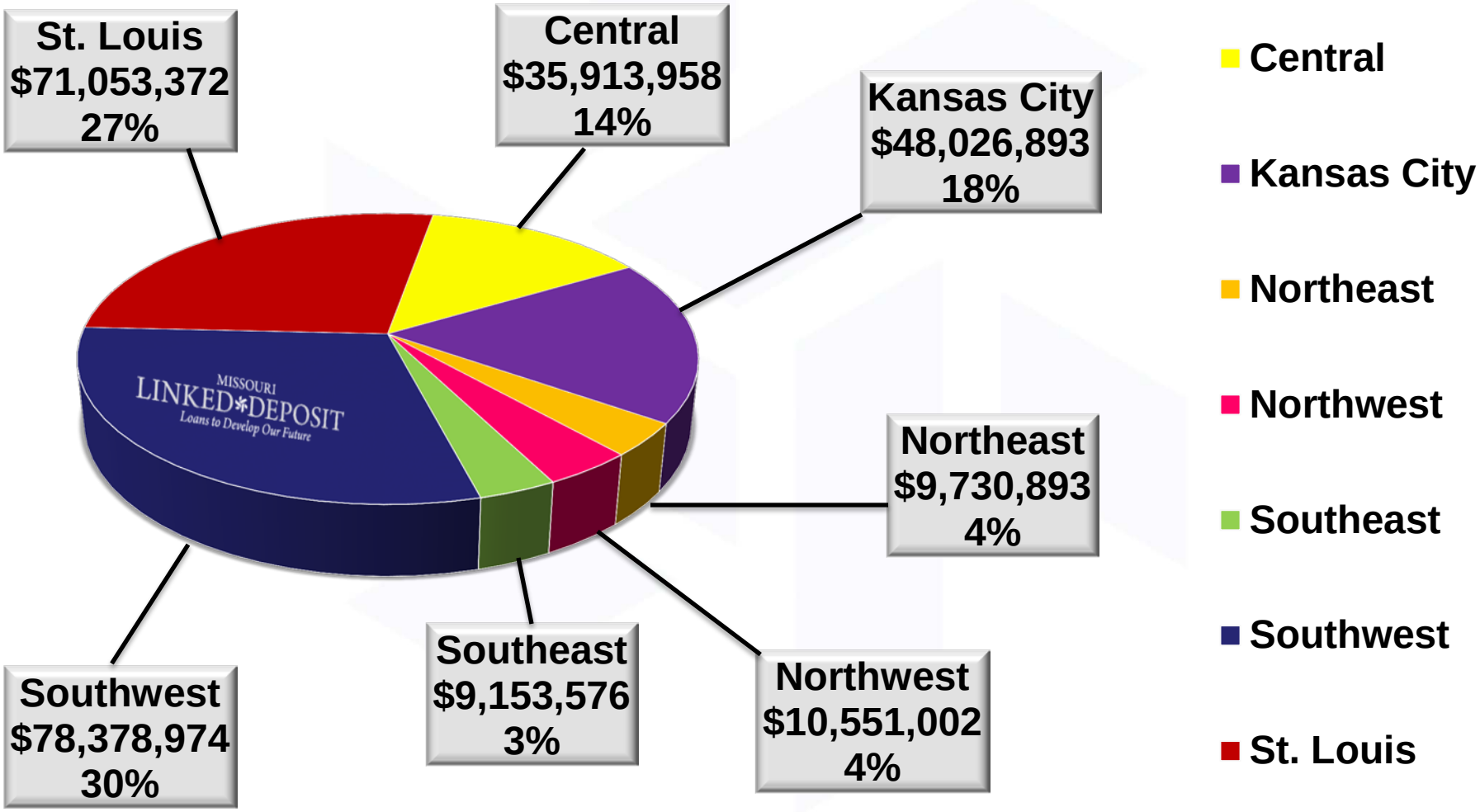
COMPARISON OF TOTAL ACTIVE LOAN AMOUNTS BY CATEGORY

MLDP Category	PY 2011	PY 2012	PY 2013	PY 2014	PY 2015
Agriculture	$94,351,407	$62,451,559	$39,626,547	$28,843,676	$28,581,402
Multi-Family Housing	$18,315,545	$15,904,099	$19,393,804	$25,940,074	$26,844,233
Job Creation	$7,559,658	$8,288,250	$6,009,783	$4,456,984	$5,714,149
Small Business	$261,286,143	$283,179,091	$247,006,576	$243,976,826	$198,646,884
Alternative Energy	0	0	0	$20,000	0
Government Entity	$1,059,466	$831,542	$759,542	$215,537	$3,022,000
Totals	**$382,572,219**	**$370,654,541**	**$312,796,252**	**$303,453,097**	**$262,808,668**

2015 Missouri Linked Deposit Program Loan by Category



2015 Active Missouri Linked Deposit Program Loans by Region



Minority- and Women-Owned Business Loans

During the 2015 PY, the Missouri Linked Deposit Program provided a total of 61 loans totaling $17,409,730 to women-owned businesses and 18 loans totaling $7,796,138 to minority-owned businesses.

2015 Top 20 Minority/Women-Owned Business Loans- $15,229,274

Loan Amount	Bank Name	Deposit Type	Region	
$2,050,000	Bloomsdale Bank	Small Business	St. Louis	WBE
$1,346,000	Hawthorn Bank	Small Business	Kansas City	MBE
$1,190,000	Mid Missouri Bank	Small Business	Southwest	WBE
$1,157,318	Enterprise Bank & Trust	Small Business	St. Louis	WBE
$1,152,000	Morrill & Janes Bank and Trust Co	Small Business	Kansas City	MBE
$744,089	Adams Dairy Bank	Small Business	Kansas City	WBE/MBE
$650,000	Heritage Bank of the Ozarks	Small Business	Central	WBE
$625,000	Equity Bank	Small Business	Kansas City	WBE
$621,853	Adams Dairy Bank	Small Business	Kansas City	WBE/MBE
$584,000	Morrill & Janes Bank and Trust Co	Small Business	Kansas City	MBE
$570,000	Mid Missouri Bank	Small Business	Southwest	WBE
$560,000	Mid Missouri Bank	Small Business	Southwest	WBE
$530,000	Central Bank	Small Business	Southwest	WBE
$493,687	Legends Bank	Small Business	Central	WBE
$466,000	FCS Financial	Agriculture	Southwest	MBE
$440,000	Central Bank	Small Business	Southwest	MBE
$431,050	Commerce Bank	Small Business	St. Louis	MBE
$415,000	First State Bank of St. Charles	Small Business	St. Louis	WBE
$403,277	Adams Dairy Bank	Small Business	Kansas City	MBE
$400,000	Hawthorn Bank	Small Business	Kansas City	WBE
$400,000	Heritage Bank of the Ozarks	Small Business	Central	MBE

2015 Minority/ Women – Owned Business Loans by Region Totals - $25,205,868

Region	Number of Loans	Loan Totals
Central	19	$3,644,123
Kansas City	18	$8,888,231
Northeast	9	$1,314,816
Northwest	3	$248,124
Southeast	1	$335,180
Southwest	18	$5,584,584
St. Louis	11	$5,190,810
Region Totals	**79**	**$25,205,868**

Missouri Linked Deposit Program-Veteran Loans

Thirty loans totaling **$11,507,891** were provided to veteran-owned businesses within Missouri in PY2015.

PY	Veteran Loans	% of MLDP Portfolio
2015	$11,507,891	4.4%
2014	$10,601,820	3.5%
2013	$23,077,636	7.2%
2012	$9,589,137	2.6%

Lender Information

2015 PREFERRED PARTNERS

The Preferred Partners program continues to be popular with Missouri lenders.

While all eligible lenders can participate in the Missouri Linked Deposit Program, lenders identified as Preferred Partners have at least 1% of their asset size in active Missouri Linked Deposit Program loans. Preferred Partners are well educated in Missouri Linked Deposit Program loan requirements and eligibility.

During the PY 2015, the Missouri Linked Deposit Program added two new lenders to it's portfolio.

Treasurer Zweifel's office will continue to review under-utilized Missouri Linked Deposit Program categories, and talk with participating lenders.

Please view your

Missouri Linked Deposit Program Loan Amounts by Lender Handout

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2015-Missouri Linked Deposit Program Loan Amounts by Lender

Bank Name	Amount
Commerce Bank ★	$50,091,717
Mid Missouri Bank ★	$25,913,811
Hawthorn Bank ★	$24,464,936
OakStar Bank ★	$17,056,200
Legends Bank ★	$14,732,215
Midwest BankCentre	$14,654,635
Enterprise Bank & Trust ★	$11,172,318
Eagle Bank & Trade Co of Missouri	$10,892,244
Pulaski Bank ★	$9,523,000
Belgrade State Bank ★	$8,854,265
Ozark Bank	$6,200,000
FCS Financial ★	$5,762,000
Morrill & Janes Bank and Trust Co	$5,714,000
Bank of Kirksville	$4,830,650
Central Bank ★	$4,261,000
First State Bank Of St. Charles ★	$3,767,551
Maries County Bank ★	$3,706,901
Adams Dairy Bank ★	$3,489,473

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2015-Missouri Linked Deposit Program Loan Amounts by Lender

Pony Express Bank	$3,080,000
United Bank Of Union	$3,076,000
Bank of Missouri	$2,712,000
Guaranty Bank ★	$2,675,000
Independent Farmers Bank ★	$2,445,000
Bloomsdale Bank	$2,050,000
Progressive Farm Credit Services	$2,025,000
Heritage Bank of the Ozarks	$1,940,000
First State Community Bank	$1,794,324
Central Bank	$1,522,840
Community First Bank ★	$1,497,288
First National Bank	$1,144,657
Central Bank of the Ozarks	$1,124,297
Bank of St Elizabeth	$1,114,300
Alliance Bank	$1,067,602
Tri County Trust Company	$1,062,000
Citizens-Farmers Bank of Cole Camp	$760,000
Regional Missouri Bank	$743,000
First Missouri Bank	$730,000
United State Bank	$724,000
Farmers State Bank	$650,000
O'Bannon Banking Company	$634,956
Equity Bank	$625,000
Nodaway Valley Bank	$484,000

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2015-Missouri Linked Deposit Program Loan Amounts by Lender

Paris National Bank ★	$383,805
Peoples Bank	$263,458
Bank Of Sullivan	$244,537
Montrose Savings Bank	$240,000
Heritage Community Bank	$230,149
Farmers Bank Of Lincoln	$160,000
BTC Bank	$146,386
Citizens Bank Of Edina	$140,285
HomePride Bank	$97,394
Mid America Bank	$80,374
Bank Of Urbana	$44,700
Carroll County Trust Company	$9,400
	$262,808,668

★**The banks designated with a gold star are the Missouri Linked Deposit Preferred Partners.**